

Lincoln, NE CoC FY 2021 NOFO

Competition Project Rating and Ranking Procedure

Purpose

On an annual basis, the Lincoln Continuum of Care is required to rate and rank all new and renewal projects submitted to HUD for funding in an order that reflects the CoC's needs and priorities. For the 2021 competition, this includes all CoC new and renewal. Additionally, HUD requires CoCs to review the performance of all funded projects and seek to reallocate funding away from low performing projects or those providing services that are of a lower priority in preventing and ending homelessness. The CoC also seeks to ensure that all HUD funded grants are effectively utilizing the resources allocated to them and to the maximum extent possible fully expending contract resources.

The Lincoln CoC is seeking to accomplish the following in the ranking and reallocation of projects:

- Incentivize all providers to focus on outcomes and to seek to achieve the performance targets specified by the CoC in order to improve the performance of the CoC as a system.
- Encourage providers to adopt evidence-based practices including Housing First to more effectively employ CoC resources.
- Replace projects that are not high performing, cost effective, or following evidence-based practices with new projects that follow CoC and HUD priorities.
- Recapture funds that are not being utilized and reallocate to other purposes.

Policy

All new and renewal projects will be ranked by the CoC. The primary factor determining the ranking of projects will be the rating scores assigned to renewal and new projects. Scoring is based on project performance, grant management, system outcomes, cost-effectiveness and adherence to policy priorities.

All projects must participate in the All Doors Lead Home (ADLH) coordinated entry and referral process. This process prioritizes assistance toward the most vulnerable homeless people with the longest periods of time homeless. Projects will be ranked, in part, based on their participation in coordinated entry and admitting participants based on specific needs and vulnerabilities including chronic homelessness and victimization, and other barriers to housing such as substance use, criminal backgrounds, no credit, and eviction history.

Except as specified below, projects will be ranked in the NOFO competition by the scores assigned to renewal or new projects.

There are two categories of projects that will not be ranked according to performance scores:

- Projects that are essential to the operation of the CoC. This includes funding for HMIS and Coordinated Entry. These are unique projects focused on CoC operations and that cannot be

readily evaluated or compared to other CoC funded projects. Failure to renew this funding would have negative consequences for the CoC and jeopardize future funding opportunities.

- First time renewal of newly funded grants. HUD requires newly funded one-year project grants to be renewed in the competition. In most instances, these projects will not be able to report on a full year of operations in the APR.

The two project types identified above will not be assigned scores. Coordinated entry, HMIS and first time renewal will be ranked by the CoC to assure – to the maximum extent possible – that they will be funded in the competition.

All other CoC projects will be ranked according to scores:

- Renewal projects will be ranked according to adjusted renewal project score. Renewal scores will be adjusted as follows: if the highest scoring renewal project scores less than 100 points, then all renewal scores will be adjusted upward by the difference between the highest scoring renewal project and 100.
- Renewal projects that qualify for renewal based on the renewal performance evaluation will be ranked above new projects. The scoring criteria for the renewal projects are attached to this document.
- New projects will be ranked according to scores below the renewal projects. The new projects will be rated using the new projects threshold review and the new projects rating tool as provided at: <https://www.hudexchange.info/resource/5292/project-rating-and-ranking-tool/> New projects will be eligible for up to 100 points.

Project Review

All project applications will be objectively reviewed and scored. Renewals will be scored based on performance outcomes, compliance with HUD and CoC policies, and consumer satisfaction. To assure the safety and privacy of those experiencing homelessness as a result of domestic abuse and violence, the CoC has a separate policy for the review of projects from victim services agency which is described below.

Renewal applications will be ranked solely based on their renewal evaluation score. These will be objectively tallied. New project applications will be reviewed and scored using the New Project Scoring Tool. A review panel consisting of persons knowledgeable about homelessness and responses to it will review and score all new project applications. Those applications scoring the highest will be included in the CoC Collaborative Application to HUD. To assure that the amounts requested are consistent with the sums the CoC is eligible to apply for, the review panel is empowered to negotiate with applicants to adjust funding requested to assure that applications do not exceed the maximum amount allowable.

For victim services agencies. These agencies are not allowed to enter data into HMIS. Accordingly, renewal projects submitted by victim services providers will be evaluated based on data submitted into the equivalent non-HMIS reporting system. Additionally, due to the need to safeguard people who have experienced domestic violence, project applications submitted by victim services agencies will also be reviewed based on the extent to which improve the safety of the population they serve. Specifically, these agencies will also be evaluated based on:

- The extent to which households served have strategies in place to improve their safety. To receive full marks, a victim services provider must have assisted 65% or more of the domestic violence survivors they serve to develop strategies to improve their safety.
- The extent to which households served by victim services agencies have been educated regarding available community resources. To receive full marks, the agency must have provided at least 65% of the survivors they serve with education on available community resources.

Reallocation Policy

Current CoC grantees may elect to reallocate some or all of the funding associated with their project. These reallocated projects will be scored as new projects and ranked according to score the same as all new and renewal projects. CoC grantees in good standing (no outstanding HUD or CoC monitoring findings and no open audit findings) may voluntarily reallocate their funding and will not have to compete with other organizations for that funding.

The minimum score for automatic renewal of CoC funded projects is 65% of the highest scoring project.

If the highest scoring project receives a score of 100, then all projects scoring below 65 will be reallocated unless a Project Improvement Plan has been submitted and approved by the CoC board. Should the highest scoring project receive a score of 90, then the minimum acceptable score would be 58.5.

The Project Improvement Plan must specify how the project will improve performance and meet standards in the upcoming year. If the CoC board accepts the Project Improvement Plan, the grantee will be allowed to apply for renewal funding.

Any legal applicant for CoC funds can apply for new projects from the bonus pool or the uncommitted reallocation pool. The CoC will only rank new projects for which there is sufficient funding in the bonus or reallocation pool to fully fund the project.

Policy on Expenditure of Grant Funds

Funds unexpended at the completion of the grant term are recaptured by HUD. In some instances these funds are then allocated to other CoCs or in other cases are returned to the federal treasury. The Lincoln CoC seeks to minimize this recapture of funding and to the maximum extent possible ensure that homeless assistance funding allocated to the State of Nebraska is used to support homeless people in the state.

Under expenditure policy

It is the policy of the Lincoln CoC that CoC funds granted to an applicant agency will either be fully expended to assist eligible homeless people or the CoC will recapture the unspent funding and add it to the pool of resources available for reallocation.

Lincoln CoC grantees that expended less than 90% of their funding in the most recent grant year will face recapture of unexpended funding that exceeds 10% of the grant funds. If, for example, the CoC grant was for \$100,000 and \$85,000 was expended, the grantee would see \$5,000 in funding recaptured.

Recapture of unexpended funding that exceeds 10% of the total grant will be automatic. Grantees may prevent this automatic recapture by submitting an appeal to the Board of the CoC. The appeal will need to: explain the reason for the under-expenditure and provide a plan for fully expended the grant in the

current cycle. The Board may approve the request at its discretion. However, if the funds are restored and under-expended in the subsequent grant cycle funding will be recaptured as indicated above. All CoC board decisions can be appealed but a second appeal would require extraordinary circumstances to be approved.

Renewal Performance Standards

The Renewal Performance Standards are found in the Lincoln, NE CoC – Renewal Performance Measures -2021 document.

New Project Scoring

The scoring factors are included along with all relevant CoC documents on the CoC website.